

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 59th LEGISLATURE - REGULAR SESSION**

#### **COMMITTEE ON TAXATION**

**Call to Order:** By **CHAIRMAN KARL WAITSCHIES**, on March 4, 2005 at 8:00 A.M., in Room 152 Capitol.

#### **ROLL CALL**

**Members Present:**

Rep. Karl Waitschies, Chairman (R)  
Rep. Gary Branae, Vice Chairman (D)  
Rep. Bob Lake, Vice Chairman (R)  
Rep. Norma Bixby (D)  
Rep. Edward B. Butcher (R)  
Rep. Jill Cohenour (D)  
Rep. Tom Facey (D)  
Rep. Wanda Grinde (D)  
Rep. George G. Groesbeck (D)  
Rep. Dennis Himmelberger (R)  
Rep. Dave McAlpin (D)  
Rep. Jim Peterson (R)  
Rep. Holly Raser (D)  
Rep. John (Jack) W. Ross (R)  
Rep. Scott Sales (R)  
Rep. Bill Warden (R)  
Rep. Brady Wiseman (D)

**Members Excused:** None.

**Members Absent:** Rep. John Balyeat (R)  
Rep. Margaret H. Campbell (D)  
Rep. Carol Lambert (R)

**Staff Present:** Jeff Martin, Legislative Branch  
Debra Polhemus, Committee Secretary  
Audio Technician

**Audio Committees:** These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

**Committee Business Summary:**

Hearing & Date Posted: HB 680, 2/12/2005; HB 689,  
2/12/2005; HB 758, 2/22/2005

Executive Action:

**HEARING ON HB 680**

**Opening Statement by Sponsor:**

00:01:16 REP. DAN VILLA (D), HD 86, opened the hearing on  
HB 680, Revise taxes by eliminating economic  
development levy from tax limits.

**Proponents' Testimony:**

00:02:32 Dick King, President, Montana Economic Developers  
Association (MEDA)

**EXHIBIT (tah48a01)**

00:06:02 Joni Stewart, Cut Bank, Gain Development and MEDA,  
Montana Economic Developers Association

00:07:52 Ronda Carpenter-Wiggers, Great Falls Chamber of  
Commerce

00:09:04 Evan Barrett, Chief Business Officer, Governor's  
Office of Economic Development

**Opponents' Testimony:**

00:12:21 Gordon Morris, Director of Montana Association of  
Counties

**Informational Testimony:** None.

**Questions from Committee Members and Responses:**

00:14:35 REP. WISEMAN

00:15:25 REP. FACEY

00:17:29 REP. McALPIN

00:19:04 REP. LAKE

00:20:13 CHAIRMAN WAITSCHIES

00:24:21 REP. BIXBY

00:26:28 CHAIRMAN WAITSCHIES

**Closing by Sponsor:**

00:27:14 REP. DAN VILLA (D), HD 86 closed the hearing on HB  
680.

**HEARING ON HB 689**

**Opening Statement by Sponsor:**

00:29:21 REP. ELSIE ARNTZEN (R), HD 53, opened the hearing  
on HB 689, Clawback provision for tax abatements.

**EXHIBIT (tah48a02)**

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**Proponents' Testimony:**

00:33:42 Gordon Morris, Director, Montana Association of  
Counties  
00:34:39 Ed Tinsley, Lewis & Clark County Commissioner  
00:35:26 Dick King, President, Montana Economic Developers  
Association  
00:38:06 Evan Barrett, Governor's Office of Economic  
Development

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**Opponents' Testimony:** None.

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**Informational Testimony:**

00:40:11 Les Saisbury, Bureau Chief, Montana Department of  
Revenue

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**Questions from Committee Members and Responses:**

00:40:48 **REP. WISEMAN**  
00:48:48 **REP. GROESBECK**  
00:53:08 **REP. FACEY**

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**Closing by Sponsor:**

00:53:57 **REP. ELSIE ARNTZEN (R)**, HD 53 closed the hearing  
on HB 689.

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**HEARING ON HB 758**

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**Opening Statement by Sponsor:**

00:55:34 **REP. WALTER MCNUTT (R)**, HD 37, opened the hearing  
on **HB 758**, Oil, gas, and coal natural resource  
account fund.

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**Proponents' Testimony:**

00:58:57 **REP. RALPH LENHART, HD 38, GLENDIVE**  
01:00:45 David Ewer, Director, Budget and Program Planning  
Office, Governor's Office  
01:02:03 William Duffield, Executive Director, Association  
of Oil, Gas and Coal Producing Counties  
01:11:51 Alec Hansan, League of Cities and Towns  
01:15:06 Bret Smelser, Mayor, Sydney

**EXHIBIT (tah48a03)**

01:18:05 Bob Gilbert, representing Sydney and Rosebud  
County  
01:21:10 Jerome Anderson, Helena Attorney representing  
Encore Acquisition Company  
01:22:48 Bud Clinch, Executive Director, Montana Coal  
Council

01:23:54 Dave Cole, Administrator, Community Development  
Division, Montana Department of Commerce

**EXHIBIT (tah48a04)**

01:26:59 Gail Abercrombie, Executive Director, Montana  
Petroleum Association

01:30:12 Stan Kaleczy, representing Burlington Resources  
and Gas Company

01:31:16 Joe Icenogle, Fidelity Exploration

01:32:08 Patrick Montalban, representing Small Independents  
Oil Producers

01:32:51 Jerry Jimison, Mayor of Glendive

01:36:02 Clayton Horning, Mayor of Baker

01:37:12 Gary Amestoy, representing Richland County  
Commissioners and Richland Economic Development  
Council

01:38:26 Ed Bartlett, Helena Attorney representing Northern  
Alliance of Oil and Gas Producers

01:39:04 Sarah Carlson, Montana Association of Conservation  
Districts

01:41:15 Webb Brown, Montana Chamber of Commerce

**EXHIBIT (tah48a05)** Terry Gilbertson, Mayor, Plentywood via  
letter

**EXHIBIT (tah48a06)** Lowell J. Swenson, Finance Director, Havre  
via letter

**EXHIBIT (tah48a07)** Richland County Commissioners via letter

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**Opponents' Testimony:** None.

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**Informational Testimony:**

01:42:53 Van Charlton, Montana Department of Revenue

01:43:18 Judy Painter, Montana Office of Budget and  
Planning

**Questions from Committee Members and Responses:**

01:44:59 **CHAIRMAN WAITSCHIES**

01:45:30 **REP. ROSS**

01:48:19 **REP. COHENOUR**

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**Closing by Sponsor:**

01:54:16 **REP. WALTER MCNUTT (R), HD 37** closed the hearing  
on **HB 758**.

01:57:50

**ADJOURNMENT**

Adjournment: 10:00 A.M.

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REP. KARL WAITSCHIES, Chairman

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DEBRA POLHEMUS, Secretary

KW/dp

Additional Exhibits:

**EXHIBIT ([tah48aad0.TIF](#))**